

the record, that you simply cannot tax speech. You cannot say that because you have spoken too much you must now pay a penalty to the Government.

I say to my friend from North Dakota, I understand his dilemma. He would like to have spending limits, something he thinks as a matter of policy is desirable; he would like to get rid of taxpayer funding. I will say it is not possible, consistent with the first amendment, to disengage the Siamese twins of this debate. So I understand the dilemma confronting the Senator from North Dakota.

Mr. DORGAN. If the Senator will yield further, much of what is spent in the campaign has nothing to do with speech. Paying a pollster \$20,000 for a poll in Kentucky or North Dakota is not paying for the opportunity to speak. But I can go through and list the tens of thousands or hundreds of thousands of dollars of costs that these campaigns have that have nothing to do with speech.

My point is that if one believes, as I do, that there is too much money in campaigns and the chase to find more so you can spend more—not speak more, just spend more—is unhealthy, and if you want to impose spending limits, my point is not to tax those who speak more but to say if you decide that you do not want spending limits and do not want to limit yourself to chasing the millions of dollars, then maybe you ought not be tax exempt. Why should we bestow a tax exemption on everybody just because they are running? We will, say, bestow a tax exemption for those who elect to use voluntary spending limits which we think will be productive to clean up the campaign mess in this country.

Mr. MCCONNELL. I understand my friend from North Dakota. I think it is rather clear from previous Supreme Court decisions that that would be considered a tax on speech. In other words, the candidate who agrees not to speak too much pays no tax. The candidate—as I understand the suggestion—the candidate who speaks excessively then pays a tax.

Mr. DORGAN. I understand another colleague of ours is waiting to speak and I will not prolong this. I do not think there is a serious constitutional question here on whether we could extract the tax exemption that is automatically given to a campaign if someone elected not to use spending limits. There has been a lot of legal research done on that. I do not believe that runs afoul of Buckley or any other constitutional impediment. I simply raise the point to say, at least for me, the issue is how much money is spent in campaigns, not how much money is spent to speak, and we ought to find ways to reduce the millions of dollars thrown around in these campaigns. That would be a major and constructive step in reforming our campaign finance system in this country. I thank you very much for being generous to yield to me.

Mr. MCCONNELL. Madam President, let me say I understand the frustration of the Senator from North Dakota. The Supreme Court has said spending is speech. The ACLU, for example, believes very strongly that the approach suggested by the Senator from North Dakota is clearly unconstitutional and would be struck down by the courts were it to make it to the courts. Madam President, I yield the floor.

Mr. DOMENICI addressed the Chair. The PRESIDING OFFICER. The Senator from New Mexico.

#### DEFICIT REDUCTION

Mr. DOMENICI. Madam President, this morning, the President of the United States had a followup press conference to yesterday, as I understand it. I saw part of it. So the President this morning said that out of each \$10 in deficit reduction in the reconciliation bill, and I assume that is the House-passed bill because there is no other, he stated \$5 comes from spending cuts, \$3.75 from the upper income and \$1.25 from the middle class.

Everyone should know nothing has changed. So we have a new way of packaging the same old bill. I do not think that anybody should think this is new. This is still the same old argument which states that 50 percent of the deficit reduction in that House-passed bill comes from spending cuts and 50 percent from tax increases. You can do it up however you want. It is just a restatement of the President's contention that it is 50 cents cuts, 50 cents taxes, out of every dollar in deficit reduction.

Now, I do not like to come to the floor and go over this again because we have gone over it, but, quite frankly, the President's numbers did not add up 2 weeks ago when I came to the floor and responded to him, and they do not add up today.

These are the facts:

One, the House-passed reconciliation bill cuts spending over 5 years \$46 billion. Over two-thirds of those cuts come in the last 2 years of the 5-year period. The House-passed reconciliation bill increases taxes net \$276 billion. When you add user fees of \$15 billion, the total revenues and user fees exceed \$290 billion.

Now, if the president wants to categorize those differently, he is free to. But I leave it to the American people whether the \$15 billion in new charges to the American people for using services is a cut in programs or an increase in revenues. I think it is the latter. So \$290 billion is taxes and user fees or new receipts to the Government, new money taken from the people.

Now, this is a simple ratio. The mandatory expenditures that he saves in that bill, \$45 billion, \$46 billion, in that bill alone it is \$6.35 in taxes and user fees for \$1 in spending cuts. Now, under no stretch of any imagination is this 50-percent taxes. Frankly, it is 80-per-

cent taxes and user fees and 14-percent spending cuts.

Now, let us move on and see what else the President might be looking at. He includes future savings from reducing appropriations in his calculations. He claims savings that we already counted when we adopted the 1990 budget agreement. Now, I do not know how many times we have to just flat state that. And who is the source of that information? Senator Domenici? No. The Congressional Budget Office says that you cannot double count the savings in the 1990 agreement for appropriations for which the American people pay taxes to get the deal.

Everyone was here then. You remember 1990. New taxes, new gasoline taxes, new other taxes, so we would get some cuts. The cuts, \$44 billion of the cuts he counts twice. He counts them now in his new package and they were already counted before. So that is one. Even if we give him full credit for the appropriations savings in the outyears, the ratio of taxes to spending is \$2.80 in taxes for every \$1 in spending cuts. That still is a package of 73 percent in taxes and 27 percent in spending cuts. And again, if we were to give credit for these future outyear spending cuts that could come from the appropriated accounts, the package is still backloaded on spending cuts and front end loaded on taxes.

Amazing, 83 percent of the spending cuts come in the last 2 years, 1996 and 1997; 83 percent of whatever spending cuts the President wants to take credit for come in 1996 and 1997. But not so with the taxes, for they come up front.

Now, frankly, I believe that is one of the reasons the package is not gaining momentum with the American people. They have a simple but true and profound idea: cuts first, taxes later.

This is reversed. This is taxes first and cuts later. And I cannot make it any more amazing than to point out that if you give the President credit for all the things he said he would cut—and I told you some of them are very questionable—83 percent of the spending cuts come in 1996 and 1997, but almost all of the taxes would already be imposed, collected, put in the Treasury and, I submit, you will not get the deficit reduction that you planned for but you will get the taxes that you paid. You will get that burden.

Frankly, Madam President, sometime tomorrow a number of us will come to the floor and speak to this issue, and then I will speak to the remainder of the President's press conference when, it seemed to me, there was an implication that the economic news of the past 5 or 6 months, which all of a sudden turns out to be good economic news, is attributable to something Congress and the President have done since the new President was sworn in. Frankly, I do not know of anything we have done which changed any of that. I think that came because of policies of last year and the year before. We have not changed the deficit.

We have not passed any formidable provisions around here to reduce the deficit. We have not produced any stimulus. Nothing has happened. We will go through that in a little bit of detail.

Madam President, I have a table that includes the budget package ratios very simply put. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

## BUDGET PACKAGE RATIOS

(Dollars in billions)

	1994	1995	1996	1997	1998	1994-98
Spending reductions/Appropriations	-0.3	-0.9	-7.5	-72.4	-37.3	-95.5
Reconciliation	-1.7	-4.5	-9.1	-14.0	-16.6	-55.9
Other	.9	1.4	1.7	2.1	2.3	8.4
Subtotal	-1.1	-2.2	-4.9	-34.3	-51.6	-104.0
User fees	2.3	2.6	3.3	3.3	3.4	15.5
Revenue increases	22.7	41.6	34.8	73.8	32.5	225.5
Subtotal	25.9	44.2	36.7	77.1	38.9	237.0
Debt Management	-5	-1.0	-1.3	-1.6	-2.0	-6.4
Debt service	-1.1	-3.6	-7.5	-13.9	-22.1	-48.1
Subtotal	-1.5	-4.6	-8.8	-15.4	-24.1	-54.5
Grand total	-2.7	-6.0	-9.2	-15.7	-51.7	-104.5
Ratio of debt and user fees to spending reductions	82.35 to 1	72.97 to 1	33.5 to 1	22.5 to 1	14.7 to 1	236 to 1
Total	82.35 to 1	72.97 to 1	33.5 to 1	22.5 to 1	14.7 to 1	236 to 1

Note: Based on CBO's estimates.

# CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. SHELBY. If the Senator from New Mexico will yield, would he like me to set aside temporarily my amendment, which is the pending business, so the Senator from New Mexico can offer his amendment?

Mr. DOMENICI. I understood that Senator BOREN was willing to let my amendment come up.

Mr. SHELBY. Senator BOREN is supposed to come out.

Mr. DOMENICI. All right. He told us he was going to do that. I will not lay the amendment down, but let me retain the floor for a moment waiting for Senator BOREN.

The PRESIDING OFFICER. The Senator has the floor.

Mr. DOMENICI. Madam President, this amendment, which I will offer shortly—and I am sure we are going to vote on one way or another before another cloture comes around—is a 40-percent limit on the acceptance of out-of-State contributions. Simply stated, this limits the amount of funds a candidate may accept from out-of-State contributors to 40 percent of their aggregate contributions. This is in addition to the Chafee-Cohen-Jeffords-McCain-Durenberger ban on accepting out-of-State contributions in any but the last 2 years of a campaign. That is a good suggestion, but, frankly, I believe we ought to have a percentage limitation in addition to a timeliness limitation.

The second part of this amendment builds on the Wallstone amendment that limits the taxpayer subsidized benefits available to candidates who spend more than \$25,000 of family or personal money on their campaigns.

The amendment Senator COHEN and I will propose shortly would allow, in cases in which a candidate spends in excess of \$25,000 of personal money, the opponent's collections of out-of-State contributions no longer be limited to the last 2 years of the election cycle or to 40 percent of the aggregate contributions.

The opponent of a wealthy candidate would also have the ability to raise funds in amounts of up to \$10,000 to offset the spending of the wealthy candidate. This would serve as a serious disincentive for wealthy candidates considering the use of personal funds in excess of \$25,000.

I see my friend, the manager of the bill, on the floor. I wonder if he might permit us, by unanimous consent, to set aside the pending amendment and offer the Domenici-Cohen amendment and then the vote would be at the Senator's disposal.

Mr. BOREN. I think we can do that. The only thing that I would say to my colleague from New Mexico is that this amendment is offered in behalf of himself and Senator COHEN, would be that the sequencing of these votes—we had the amendment of the Senator from Vermont, who is now on the floor, and maybe we could get him and the Senator from Kentucky to join in this discussion—the amendment of the Senator from Vermont to be offered, the Senator from Minnesota, Mr. DURENBERGER to be offered, and the amendment of Senator EXON and Senator LEVIN to be offered, which relates to a similar subject matter as the Durenberger amendment.

There is the potential of an amendment by Senator DORGAN which also is on the gross receipts tax. As far as I know, those are the amendments which the leader has agreed to accommodate. But I do not think there is an agreement with the minority leader yet. I

think that should be discussed between the two of them.

Mr. MCCONNELL. The Republican leader has asked to be protected to offer a couple.

Mr. BOREN. I am not asking for unanimous consent. I think they need to discuss that. He and the Democratic leader need to discuss that together because we are now allowing about five amendments, potentially six, instead of the three that the minority and majority leader apparently agreed to among themselves.

We are certainly accommodating those three. We are accommodating some more in light of the time to give everybody a chance to have a vote on the major policy questions.

So I think we need to encourage the minority leader and the majority leader to talk with each other directly about whatever amendments Senator DORGAN wishes to offer. I do not know the subject matter of those.

Mr. MCCONNELL. In the meantime, the Senator from New Mexico is ready.

Mr. BOREN. Let me suggest, and ask the Senator from Vermont, because he was also involved in this. Would the Senator from Vermont be willing to have the Senator from New Mexico and the Senator from Maine (Mr. COHEN) to debate their proposal, lay it down, and perhaps go either to the Jeffords or the Durenberger amendment to be laid down and debated, and then I am sure we probably at that point can go to the Exon-Levin amendment to be laid down and debated with all of these votes to occur tomorrow.

It would not necessarily mean they would be voted on in that order. The Senator from Alabama has requested and I think is due to be voted on first tomorrow because he has been waiting for so long to offer his amendment. We could then agree in which sequence the others would be voted on tomorrow. But would my colleague—in fact it

might give us a little time again for the Senator from Vermont and I to go over the exact language of his amendment, to let the Senator from New Mexico—I might inquire of him how long he would take, he and the Senator from Maine?

Mr. DOMENICI. Might I say to my friend from Oklahoma, I think 10 minutes tonight. I do not need to reserve substantial time; maybe 7 minutes before the vote.

Mr. BOREN. Tomorrow.

Would it be possible, in terms of, we would have a gentleman's agreement—well, that would take care of it; that would not then in any way displace the amendment of the Senator from Alabama. I think we are all operating in good faith. I think we all understand what we are saying.

Would there be any objection from either the Senator from Vermont, or the Senator from Kentucky, or the Senator from Alabama if I ask unanimous consent in just a moment to let the pending Shelby amendment be temporarily set aside to allow the Senator from New Mexico and the Senator from Maine to offer their amendment, 10 minutes to a side, and the time limitation, with 7 minutes to a side tomorrow, prior to a vote tomorrow, a time yet to be determined? Would that be amenable? Would there be any objection to that at this time?

Mr. MCCONNELL. Madam President, I do not see any need for a time agreement. Why do not we let him offer, with the permission of the Senator from Alabama, the amendment and lay it down?

Mr. BOREN. Would the Senator from Vermont want to offer his next?

Mr. JEFFORDS. I would like to offer mine next. I am not sure we have a full agreement. I would like to go as soon as possible.

#### ORDER OF PROCEDURE

Mr. BOREN. Let me ask unanimous consent at this time, Madam President, that the amendment of the Senator from Alabama be temporarily set aside so that the Senator from New Mexico may offer an amendment on behalf of himself and the Senator from Maine, and I make that request.

Mr. DOMENICI. Reserving the right to object, would the Senator mind adding to that the time would not run until Senator Cohen arrives?

Mr. BOREN. There would be no time limitation.

Mr. DOMENICI. Fine.

The PRESIDING OFFICER. Hearing no objection. Without objection, it is so ordered.

Mr. BOREN. I yield the floor so the Senator from Vermont and I may then have a discussion and hopefully either that amendment or the Durenberger amendment would be ready to be laid down and then the Senator from New Mexico.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Madam President, I am not going to lay the amendment down for a few moments. I will await my colleague. He may want to discuss a word or two of this. I will do that before I send it to the desk.

I want to continue on with a few remarks.

#### AMENDMENT NO. 454

(Purpose: To reduce the amounts of out-of-State contributions accepted by congressional candidates)

Mr. DOMENICI. I send the Domenici-Cohen amendment to the desk, Madam President, under the previous unanimous consent, and ask that it be immediately considered.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI), for himself and Mr. COHEN, proposes an amendment numbered 454.

Mr. DOMENICI. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

Title III of FECA (2 U.S.C. 301 et seq.), as amended by section 1, is amended by adding at the end the following new section:

#### "OUT-OF-STATE CONTRIBUTIONS"

"SEC. (a) CONTRIBUTION LIMIT.—The aggregate amount of funds that may be accepted during an election cycle by a candidate for the Senate or House of Representatives or the candidate's authorized committees from individuals, separate segregated funds, and multicandidate political committees that do not reside or have their headquarters within the candidate's State shall not exceed 40 percent of the total amount of contributions accepted by the candidate and the candidate's authorized committees.

"(b) EXPENDITURES FROM PERSONAL FUNDS OF A CANDIDATE IN EXCESS OF \$25,000.—Notwithstanding any other law, in an election in which the aggregate amount of expenditures made by an eligible Senate candidate or an opponent of an eligible Senate candidate and the candidate's authorized committees using funds derived from sources described in section 502(a)(2) exceeds \$25,000—

"(1) any restriction on the amount of contributions that a candidate may accept from out-of-State sources under any provision of law shall not apply to the opponents of that candidate;

"(2) the limitation on the amount of contributions that an individual may make to each of the opponents of that candidate under section 315(a)(1) shall be increased to \$10,000; and

"(3) expenditures using funds derived from contributions received by virtue of paragraphs (1) and (2) shall not be counted for the purposes of the general election expenditure limit under section 502(b)."

Mr. DOMENICI. Madam President, I rise today because I am concerned about the direction our effort to reform the financing of Federal campaigns is taking, and to propose an amendment with Senator COHEN to significantly improve the underlying legislation.

Those who follow campaign finance reform are well aware of my thoughts

on this issue. Every Congress I have introduced legislation calling for basic reform and I have testified before the Committee on Rules and Administration in regards to that legislation on a number of occasions.

The legislation I have introduced, S. 94, the Grassroots Campaigning and Election Reform Act calls for four very straightforward and specific changes in the law: a flat-out prohibition on House and Senate candidates raising money outside their home State; the abolition of PAC's as we know them; the creation of a strong disincentive to super-wealthy candidates throwing masses of family money into a campaign; and the elimination of soft money.

S. 94 stands in sharp contrast to the underlying legislation before us today. My proposal does not have as its centerpiece so-called voluntary spending limits and as a result it does not have to provide taxpayer-subsidized incentives to entice candidates to spend less money. But most importantly, my proposal is straightforward; the rules can be easily explained and voters can have faith in the fairness of the system.

I am greatly concerned that, if enacted, the legislation before us today will create a quagmire of regulations, that will have the unintended effect of making Federal campaigns even more dependent upon professional campaign strategists and lawyers, and less dependent upon, and more distant from, our constituents.

I have come to the conclusion that perhaps the greatest failure of our current system of financing Federal campaigns is that it has damaged the faith our constituents have in us to represent their interests. For far too long, Members of Congress have been forced to rely on special interest groups, PAC's, and big out-of-State spenders to fund their campaigns. It is time for campaigns to move back to the grassroots; back to our constituents. If we do not rely on our constituents for political support, why should they expect our politics to reflect their concerns and needs? How can we expect them to rely on us?

I am not convinced that the legislation before us will provide what we need to restore the voters' faith in elections and in this institution. I believe that what we need is legislation like that I have proposed numerous times that would take elections back to the grassroots, back to the people.

But I must say that I am very pleased that a number of the ideas I consider integral to campaign finance reform have been included in this year's bill, specifically, a ban on the acceptance of PAC contributions, a limitation on the amount of personal or family funds a wealthy candidate may contribute to his or her own race, and a restriction on the acceptance of out-of-State contributions.

This amendment would strengthen two of those provisions. Specifically, our amendment would place a 40-per-

cent limit on the aggregate amount of funds a candidate could receive from out-of-State contributors and would enhance the existing disincentives for wealthy candidates who spend large quantities of personal, or family money, on their campaigns.

During earlier consideration of this bill, an amendment by Senators CHAFEE, COHEN, JEFFORDS, MCCAIN, and DURENBERGER was accepted by unanimous consent. That amendment allows a candidate to accept contributions from persons who reside outside the candidate's State of residence only in the 2 years prior to the date of the general election in which the candidate is running.

I agree wholeheartedly with the intent of this amendment. I would like to have gone even further by banning the acceptance of out-of-State contributions through the entire election cycle. However, the amendment that was accepted will reduce the amount of time candidates spent outside their home States raising campaign funds and it necessarily focuses a candidate's attention on the support of his or her constituents.

But I am concerned that, if a limitation on the aggregate amount of money that can be accepted from out-of-State contributions is not included in this limitation, the Chafee amendment will simply shift the timing of out-of-State fundraising until the last 2 years of an election and avoid what I hope to understand is the intent of amendment—a reduction in the reliance on out-of-State money to finance congressional campaigns.

The amendment, Senator COHEN and I propose, would limit the aggregate amount of funds which may be collected during an election cycle from individuals, organizations or PAC's who do not have their headquarters or reside within the State from which a candidate seeks election to 40 percent of the total collected. This requirement would be in addition to the previously adopted limitation on the acceptance of out-of-State contributions in all but the last 2 years of the election cycle.

The result, I believe, would be to significantly reduce the possibility of candidates simply delaying massive out-of-State fundraisers until the 2-year deadline now included in the legislation had passed and then going on out-of-State fundraising binges.

In addition, by limiting out-of-State fundraising to a percentage of funds from other sources, my proposal ensures that a balance is struck between the interests of constituents and interested out-of-State contributors.

I am also pleased to see that the underlying Mitchell-Boren amendment includes a provision that limits the use of personal or family money by wealthy candidates. An amendment by Senator WELLSTONE to strengthen this provision has already been agreed to by a vote of 88 to 9. The Wellstone amendment restricts the amount of personal funds an eligible candidate may con-

tribute to their own campaign to \$25,000. By voting 88 to 9, the Senate has made clear its intent to discourage wealthy candidates from buying a seat in Congress.

The limitation established in the Wellstone amendment provides the opponent of a wealthy candidate, who spends more than \$25,000 of personal money, tax dollars to counter that spending. However, during consideration of the Wellstone amendment, Senator MCCONNELL identified a very real short-coming of this approach to addressing the tremendous advantages available to the very wealthy candidate. To quote Senator MCCONNELL, if the wealthy candidate "is excessively wealthy and just wants to keep on going, at some point his speech will be able to drown out the tax-subsidized opponent."

The limitation provided in the Wellstone amendment will serve as a disincentive to wealthy candidates considering personal spending in excess of \$25,000. However, that disincentive is limited by the amount of taxpayer subsidized spending available to the wealthy candidate's opponent.

My amendment would provide a significantly more powerful disincentive without calling upon taxpayer dollars. Should a wealthy candidate unleash the family treasury, my amendment eliminates all restrictions on the acceptance of out-of-State contributions by the wealthy candidate's opponent, and it raises the limitations on individual contributions to the opponent to \$10,000.

These limits would be loosened for the opponent or opponents of the wealthy candidate, not the wealthy candidate.

Thus a wealthy candidate would cross that big-spending threshold at his or her great peril. But that is his or her choice.

But let me reiterate: If all candidates hold to the family contribution limits I have cited, all other contribution limits will be maintained, and this provision would have no impact whatsoever on that race.

Combined, I believe the idea of limiting the aggregate amount of money that can be accepted from out-of-State contributions and providing a strong disincentive to candidates considering the use of large amounts of personal or family money will significantly improve congressional elections. The amount of funds available to candidates will be reduced bringing spending down while increased emphasis will be provided to in-State contributions. And, the limitation on wealthy candidates, or the lifting of contribution limits for a wealthy candidate's opponent should the wealthy candidate decided to exceed those limits, ensures a level playing field.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Madam President, I thank my colleague. Let me say for the

benefit not only of Senators on the floor but Senators and their staffs who may be listening to us in their offices, we have had a number of Senators talk to us who want a chance to offer their amendments and have them voted on prior to the vote on cloture tomorrow.

It is my hope that we can accommodate these Senators. There are five or six in number. I know we will not be able to accommodate more than that. The Senator from Alabama has offered his amendment. As I understand it, he is willing to temporarily let it be set aside.

Let me say this first. Our hope is, because of the number of Senators on both sides of the aisle with other pressing matters, we would stack the votes on these amendments tomorrow, not vote on them tonight but vote on them tomorrow, and that we would sequence them appropriately with enough time, as the authors want, in the morning, for debate prior to each vote.

And my colleague from Alabama has indicated he would like something like 30 minutes.

Mr. SHELBLY. That sound like a good idea to do that. When we stack them, roll them over until tomorrow, I would like about 30 minutes of debate before we vote.

AMENDMENT NO. 44.

Mr. DOMENICI. I thank the Chair.

During the last two Congresses, Madam President, I have introduced legislation which I call, the major campaign reform provision that I introduced, the Grassroots Campaigning in Election Reform Act of 1993. That would call for four very straightforward and specific changes in the law:

One, a flat prohibition on raising money out-of-State, meaning that money would all be raised in State. As I have indicated, the amendment that I have at the desk is a little different than that, because some were concerned about the validity of a bill that said no out-of-State money, but my grassroots bill was just that. It was predicated upon campaigns that I think are the best of campaigns; that is, a campaign with a lot of contributors from among your own constituents.

I have had that luxury. I have had that privilege. In the campaign before last, I believe for a New Mexico politician I had far more individual contributions from within my State than anybody has ever had. I do not think anybody has come very close to that number, somewhere around 18,000 for a little State like New Mexico. I think that is good.

If we could have 25,000 and none from out-of-State, that might even be better. But that is not what is going to happen. I am just stating the way I see reform. The abolition of PAC's as we know them was part of that grassroots campaign election reform.

The elimination of soft money, we all have had that debated on the floor for many, many hours. I just believe it

should be eliminated because it confuses the electorate, and permits support to come from rather clandestine sources.

I have thought for many, many years that full disclosure was the best in terms of the public knowing what was going on and reacting in some prudent way.

Fourth, I became increasingly concerned about wealthy candidates or candidates from wealthy families, and the Valeo decision which sort of said you cannot do anything about that from the freedom of speech standpoint, and I have come up with what is now being borrowed from various Senators, with a wealthy candidate provision.

I thought of that wealthy candidate provision as one that said if you are going to put your own money in, you have to publicly disclose it at various times. And then all of the inhibiting or restraint provisions against the opponent are lifted so that they can raise far more money once somebody has decided that they are going to use their own.

I have no reason to think that is unconstitutional, and part of that is in my amendment, which is now only two-pronged, the in-State/out-of-State ratio and the removal of impediments to the opponent of a millionaire candidate, in terms of the nonwealthy candidate raising more money to send a signal both that they should not spend their own money in such large amounts and, if they are, they are going to be matched by contributions.

I must say that while I do not support the Mitchell Bill, as amended, there are a number of provisions that seem to be coming up here in the Senate that I think are healthy, such as a ban on PACs, which is clearly in the amendment that was set aside.

Mr. MCCONNELL. If the Senator will yield, that was in fact already accomplished by the Pressler amendment in the first week of the debate. So the underlying bill zeros that out.

Mr. DOMENICI. We made a giant stride there, in my opinion. There is a wealthy candidate limitation that Senator WELLSTONE proposed, which says if you put \$25,000 of your own money in, certain advantages take place on the other side. I seek to modify and make those different. And then there is already a restriction of sorts on out-of-State contributions. But it only says you are limited in time to the last 2 years of a 6-year timeframe on raising out-of-State money. I want to add to that 40 percent out-of-State and 60 percent in-State.

There have been a number of amendments accepted by unanimous consent. One amendment is by Senators CHAFEE, COHEN, JEFFORDS, MCCAIN, and DURENBERGER, which allows a candidate to accept contributions from persons who reside outside the candidate's State. I have indicated that is a 2-year limitation. That is a good start.

I actually believe that people of this country do not want public financing. I

have heard some very excellent speeches on the floor and listened attentively on that subject. There can be no doubt in my mind that the public truly cannot conceive of the situation where they would be in favor of the kind of taxpayer dollars that is going to have to go into House and Senate races if we are going to publicly finance as a way of keeping limits down, which is the one way that has been thought of in the underlying bill to get spending limitations.

I much prefer to have spending limitations that come from the mere fact that we make it harder for people to raise money, rather than easy, and that is why I am on the floor. It is a better approach and does not have limitations on how much you can spend. But surely, saying that you cannot raise but 40 percent out of State is a limiting factor. And certainly, with no PAC's at home, other than individual contributions, it seems that we are on the way to lowering the thresholds, which I think the American people want. I am not at all sure Senators do not want that. They do not want to be raising money all of the time. They have to do it just because of the competition and the mounting higher thresholds.

From my standpoint, Madam President, I am hopeful that we will get somewhere this year. Frankly, I do not think we ought to consider that we have really had reform, if the underlying bill were to be adopted and it contains spending limitations that are brought about by public funding of campaigns. I just do not believe that is the way to do it. I do not think the American people want it. I think you are inviting more problems than you are solving by doing that.

Frankly, as one Senator who is more willing to look to his own constituents and not to others, if that is the rule of law, I think that is a much better way to get less money into campaigns.

Madam President, I see the Senator from Maine. We have no time limit. I was just about finished. I will yield to the Senator for comments.

We will have 7 minutes again tomorrow before the vote, and I will share it with him, whenever that comes about.

Mr. COHEN. No time limit this evening?

Mr. DOMENICI. No. The amendment is in, and we can talk as long as we would like.

Mr. COHEN. Madam President, I rise to express my agreement with and co-sponsorship of the amendment proposed by the Senator from New Mexico.

We are dealing with perceptions and public support. It has become clear in the last several years that the public has become disenchanted with the way in which we are doing business here in Congress; but more important, for the moment at least, how we raise the funds to conduct our campaigns in order to secure a victory to bring us here to this Chamber and that of the House of Representatives.

I have also indicated on a number of occasions that I believe that political action committees have become perceived to be the scourge—or an affliction, at the very least—of our political system. I do not agree with that. I do not share the view that political action committees are the ones responsible for corrupting the system. I believe that political action committees were conceived and created for the express purpose of encouraging more and more people to contribute financially and politically to the system of our Government.

Nonetheless, over the years, this reform that was instituted as a result of the abuses we saw back during the so-called Watergate days have now, in the eyes of the public, become abused themselves.

So I maintain that every reform carries within it the seeds of its own abuse. That is no different today, as we attempt to pass reforms. I can almost guarantee you that any reforms that are passed will in turn become abused and be in need to reform. That is simply a statement of reality. There is no one system that can possibly preserve itself in perpetuity without the need for change, modification and, on occasion, reversal.

So we are where we are today because there is a perception that political action committees have abused their power and have now corrupted the system, and that requires that we eliminate them from the political process. It may present a constitutional issue. It may be that we are unable to pass such an effort to abolish them, which case we have provided for a backup provision that would allow maximum contribution of \$1,000. That is a separate issue.

The other issue has to be the perception that we spend all of our time moving around from fundraiser to fundraiser, and not only here in the city of Washington, but around the country. When I indicated that I was prepared support such an amendment as that offered by the Senator from New Mexico there were suggestions made to staff from other staff members. "We did you know that your boss, Senator COHEN, has raised substantial amount of the overwhelming majority of his fundraising from out of State?"

The answer is yes, I have. I come from a relatively poor State in terms of its financial abilities, although rich in natural resources, as we know. Like most of us in this Chamber I have traveled to California, on a sion, and to New York or to Boston to Florida. I have not devoted a great deal of time to that effort but, nonetheless, the total amount of funds have come from out-of-State versus State have been substantially in excess in terms of a ratio.

If there is a perception that some outside influences are turning heads, I might say I do not think is the case for me.

Mr. DOMENICI. No.



Mr. COHEN. But I suspect every Senator would say the same thing. There is no outside influence as far as I am concerned. The only people I am really responsible to and responsible for are the people who sent me here. Those are people in Maine. I did not respond to outside pressures. Nonetheless, there is a perception since you raised the money there is a connection. The connection somehow is tantamount to puppet strings and those outside forces are manipulating me and everybody else in this Chamber in a way that is detrimental to the interest of the people of this country.

So if that is the perception and that becomes the reality in the eyes of the people who elect us, then we have to change it. And for that reason—even though it is detrimental to my interest because it means I have to raise a substantial amount of money from within the State of Maine, which is not rich by any national standards—then I think that we have to do that. I think that we have to pass legislation that requires us to raise at least 60 percent of our funds from within State versus those out of State.

I suspect that the argument is going to be made: Well, what about those States that are not rich? What about Maine? What about some of the less populous States? Will not we be placed in a disadvantage? The answer is perhaps.

But as long as our opponents have to raise their funds from within State, as long as we limit the ability of incredibly wealthy individuals who simply purchase their ride to the House of Representatives, or to the U.S. Senate, then we are all really in the same box, so to speak. If those from poorer States will not be able to raise as much money, our respective campaigns will be less expensive and, frankly, to the extent that a campaign in Maine has always been less expensive than one from California, or New York, or certainly Texas, that we know will mark change in that respective analysis.

But I will have to spend more time raising smaller amounts in my State, and that is to the good.

Mr. DOMENICI. Exactly.

Mr. COHEN. That is to the good. I will have to depend upon \$5 and \$10 and possibly \$15 or \$25 contributions. Most people in Maine cannot afford much more than that, but at least the perception will be that I am not beholden to any outside influence.

Senator DOMENICI initially had an amendment with a great disparity between in-State versus out-of-State and would go much farther than the amendment he is proposing. I am prepared to support that as well.

But it does raise certain constitutional questions as to whether we would be successful in this effort. So I suggested that perhaps we should bring it down to the ratio that has been included in this amendment.

So for that reason, Madam President, I may have more to say at a later time.

I see my colleague from Minnesota, who is here, who may want to offer a comment or two about the subject matter, but if we are really concerned about the perceptions of the American people, about the perceptions of our constituents, then we should take reasonable steps to reassure them that they are the ones to whom we are responsible, that we are not being manipulated by any outside interest as such to the extent that we can minimize the perception that they are.

Now, could we abolish all out-of-State contributions? The answer is no. Will we put certain people in poorer States at a disadvantage? The answer is perhaps. It may be you will have a district which is predominantly Republican or predominantly Democratic, and that candidate would have to go outside of that district or State in order to raise funds to run a campaign, but of course the moment you cross the State line you run into the argument: Well, you have someone outside. Why are they supporting you? Are they supporting you because they believe in your candidacy or are they supporting you because they believe in your philosophy? Are they supporting you because they believe you will vote in their favor when their interest comes before the Senate or the House?

So I think to that extent there is this corrosive attitude toward those of us who serve in public office and we have to take whatever steps we can to minimize that. So for that reason, I have joined my colleague from New Mexico. Again it will put me and anyone who runs in the State of Maine or like States at a disadvantage. We do not have the same kind of resources that they do even in Minnesota or in New York, or certainly in California, which has become the money tree. We all rush out to shake that tree and there are plane loads of people who go out, and we have funds raised in Los Angeles or San Francisco or New York City and Chicago, maybe Dallas and Houston.

There will be less of an ability for all of us to do that. A great cheer will go up in California, a great cheer will go up in Texas, Florida, and New York, and possibly even in Boston. Let that be the case.

We, in turn, will have to spend more of our time raising funds, which may run contrary to the spirit of this legislation. We will be spending too much time raising money. We cannot have it both ways by saying we can raise money easier. We have large amounts of money we can raise in New York, Florida, or et cetera. Or we can do it the hard way and that is go out and meet with our constituents and say, brother, can you spare a dollar, or a dime, or anything to help us put on a decent campaign to convey and communicate our idea?

So it will impose burdens upon us, I say to my friend from New Mexico, that those in other States will not have to bear. It is not a complete bur-

den in an absolute case. It is still 60-40. It still says we have to raise the majority of our funds from within State. It is contrary to what I have done in the past, and I am the first to admit this. No one can come rushing to me and through my staff suggest, you know, your boss has raised large amounts of money from outside. I have. I absolutely have.

I hope when we pass this legislation that that will not be necessary, provided we are all treated alike. If we are all subject to the same rules, then I feel I can support and would urge my colleagues to support the legislation.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, first let me thank my friend from Maine for his marvelous remarks, which were practical and to the point.

I would say to him, however, that the truth of the matter is even though we are in poor States and we will not be able to raise as much money because we are not going to go to the rich States, the very fair part of it is neither will our opponents, because presumably unless they are a superwealthy person they are going to be subject to the same limitations.

So what we have done is the second part of our amendment says the 60-40 requirement will not be there if a wealthy person decides to fund his or her campaign we will be back going to New York and the other places as a disincentive for wealthy people to use their own money, because that means we are going to raise more money also and, in addition, we try very hard to take on some of the personal limitations on contributions. So it will be made easier if there is a superwealthy person that moves into Maine and decides to spend \$5 million of his or her own money.

Mr. COHEN. Madam President, will the Senator yield?

Mr. DOMENICI. I am pleased to yield.

Mr. COHEN. Of course, one argument will be we have tremendous powers of incumbency and, of course, there is merit to that argument.

There are some of us who feel we should reduce the ability to take advantage of our incumbency and to provide a fairer means for challenge to those in primaries and general elections. That is one aspect of it. So we do have advantages.

We also have substantial disadvantages. We have the disadvantage of being incumbents; and that today in the present political context can work just as adversely against one as for one, and as long as your tenure in this Senate or the House is seen to be part of the problem. That may account for the proliferation of efforts to have term limitations. There is the sense that if you have served for 12 years you no longer are part of the solution, but that you are part of the problem.

I strongly disagree with that argument but, nonetheless, it is no longer

such an advantage to be an incumbent, and to the extent that we can reduce those advantages we ought to do so to make it a much more equal or a level playing field. But surely one of the arguments is that here we are taking advantage of our incumbency, and I would suggest to my colleagues that we do have advantages and we also have serious disadvantages.

Mr. DOMENICI. Madam President, let me conclude by seconding everything that Senator COHEN just said, and adding kind of a personal flavor to it.

Frankly, I believe much of what is bad about raising large sums of money will be made much more wholesome if you have to work at raising the money at home from your own constituents.

I see kind of a twofold aspect to encouraging, in a dramatic way, that U.S. Senate incumbents and candidates seek funding at home.

I think that forces some very healthy things. It forces having meetings where you ask your own constituents to support you, and you are humble about it, clearly indicating that you need their financial help. I think that is good. If they only give you \$10, that is fine. If they give you \$1,000 or \$200, that is fine. They are your constituents.

So I see pushing this kind of skyrocketing fundraising, time-consuming with people you do not know but you must get money from, I see that making a quick turnabout if we could put the kind of limitations that the Domenici-Cohen amendment has with reference to in-State and out-of-State.

Madam President, I ask unanimous consent that Senator NICKLES of Oklahoma be added as a cosponsor as if he were on the amendment when I sent it to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I yield the floor.

Mr. FEINGOLD. I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER (Mr. ROBB). Without objection, it is so ordered.

The Senator is recognized.

#### CONSOLIDATION OF BROADCAST SERVICES

Mr. FEINGOLD. Mr. President, I learned a hopeful lesson today—that it actually may be possible to achieve a change and actually reduce Federal spending.

About a month ago, I was in the process of learning how hard it is to achieve a relatively modest deficit reduction goal. And, quite frankly, I thought the experience was going to become more of a disappointment than a victory. I am delighted to say today it looks like it is going to turn out in just the opposite way.

This afternoon, Mr. President, President Clinton announced that agreement had been reached on consolidation of overseas broadcasting services,

an action that will achieve at least \$261 million in savings for the next 4 years and approximately \$137 million in savings each year after that.

This is an issue I have been working on since the day I was sworn into the U.S. Senate about 3 or 8 months ago.

In fact, it was one of those things I had proposed during the campaign for a plan to reduce the Federal deficit, the consolidation of our overseas broadcasting. For that reason, I chose to make it the very first bill I introduced, S. 51, the so-called Overseas Broadcasting Consolidation and Deficit Reduction Act of 1993.

This bill had these goals: We wanted to consolidate U.S.-funded overseas broadcasting in order to reduce costs and eliminate duplication and overlapping services.

We wanted to terminate the Board for International Broadcasting—the BIB—a Federal agency that has administered Radio Free Europe and Radio Liberty.

Another goal was to eliminate an unnecessary new radio transmitter to be in Israel, which would have cost the Federal taxpayers of the United States in excess of \$180 million to complete the project, a project which the Israelis did not, by and large, want in their country.

Another goal was to terminate certain other overseas broadcasting services.

And finally, the goal was to achieve deficit reduction savings through these various program changes.

Most of the budget savings, in terms of dollars, would have come from phasing down Radio Free Europe and Radio Liberty, the two cold war services—sometimes called relics—designed to broadcast behind the Iron Curtain and help bring about the fall of communism and the Soviet empire, something which, of course, has happened.

That laudable mission has been completed, yet the radios continue to broadcast, duplicating the signals sent from the United States from the Voice of America in many parts of Eastern Europe.

I chose the consolidation of these overlapping and duplicative services as my first deficit reduction target, because it appeared, at least from the outside, that this was a great area to demonstrate to the American public that the Federal Government and Congress are actually capable of examining programs, however worthy, which had outlived their usefulness. It was a perfect area to demonstrate that we are actually capable of imposing fiscal discipline to the Federal budget.

So I was very pleased in February when the President included consolidation of overseas broadcasting services in his big deficit reduction proposal. And he even highlighted it as an example of where a federally funded program had outlived its usefulness and it should be phased out.

This is not the end of the story, though. Unfortunately, soon after the

President endorsed the changes that he had talked about and that I had proposed—termination of BIB, the phasedown of Radio Free Europe and Radio Liberty, and the termination of the Israeli radio transmitter—after all of that, the administration became the target of a massive campaign to back off from the proposal, and I began to see signs that the administration itself may back down on this very important spending cut.

This was discouraging because it seemed to indicate that the administration might not be truly committed to the very spending reductions it had put forth in February.

And, quite frankly, it seemed to me that a very small group of partisans based here in Washington and in Europe could protect these programs whose mission was already completed. If that were true, I was wondering what hope we could have for achieving spending cuts in domestic areas and other areas where the cuts would hit even harder on our constituents and where there are programs of vital importance to communities around the Nation.

I am happy to say today that it looks like that did not happen. For the past several weeks, I and my staff have been in constant contact with administration officials working on bringing about a consolidation that would achieve the kind of budget savings that the administration had originally committed itself to in February.

That resulted in today's agreement that will achieve the following:

Under the President's plan, we will terminate the Board for International Broadcasting and bring all U.S.-funded overseas broadcasting into and under the USIA, the U.S. Information Agency.

The plan also calls, I am happy to say, for cutting the funding of Radio Free Europe and Radio Liberty from a current figure of \$220 million per year down to only \$75 million a year in fiscal year 1996.

A third major feature of the plan the President announced today is that it will actually reduce the very expensive operations for Radio Free Europe and Radio Liberty in Munich, Germany, by two-thirds and move these functions back to the United States, where the cost will be dramatically reduced.

All of these changes, as I have indicated, will result in about \$261 million in savings over the next 4 years, and an additional \$137 million each year thereafter.

The savings may even be higher. This could be by a total of \$125 million if the Israeli transmitter is not replaced by a new transmitter in Kuwait.

So I am really very pleased. Although the savings are not as great as I hoped to achieve in S. 51, it is a very substantial movement in the direction needed and it provides for the structural changes that are needed to make more rational decisions on how broad-